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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92061796
Party	Defendant Kingston Technology Corporation
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Spansion LLC,	)	
	)	
Petitioner.	)	Cancellation No. 92061796
vs.	)	
	)	
Kingston Technology Corporation,	)	Opposition No. 91218100 (Parent)
	)	[Consolidation subsequent to
	)	pleading phase.
Registrant.	)	Order 12/9/2015 pp. 2-3]
	)	

MOTION TO DISMISS SECOND AMENDED PETITION FOR CANCELLATION PURSUANT TO FRCP 12(b)(6) AND MEMORANDUM IN SUPPORT THEREOF

In the matter of the above-identified Cancellation No. 92061796, Kingston Technology Corporation moves pursuant to Fed.R.Civ.P. 12(b)(6) to dismiss the Count set forth in Spansion LLC's Second Amended Petition for Partial Cancellation/Limitation of the element HYPERX in the registered mark HYPERX SKYN, Reg. No. 4,721,432. This Second Amended Petition also does not state grounds upon which relief can be granted, fatally failing to allege sufficient facts to support standing.

This Second Amended Petition is in response to the Order of December 9, 2015 finding the pleadings inadequate to establish standing. Spansion has again failed to plead a business need sufficient for standing, lacking "real interest" and "reasonable belief of damage". The claims in this Second Amended Petition fail to allege competition or to allege descriptiveness of the registered mark at issue. The only claims of damage, from alleged inconsistency in pleading and creation of a family of

marks, do not reasonably lead to a belief in damage. The Kingston registered trademark HYPERX SKYN for computer mouse pads is simply of no personal concern to Spansion, is not in competition therewith and is not descriptive of the product. There are no definitive allegations to the contrary in the Second Amended Petition of Spansion.

The Standard

With respect to proceedings before the Board, to survive a motion to dismiss for failure to state a claim, a plaintiff must establish (1) standing to maintain the proceedings and (2) valid grounds against the mark. *Doyle v. Al Johnson's Swedish Restaurant & Butik Inc.,* 101 USPQ2d 1780 (TTAB 2012); TBMP § 503.02. Oppositions and cancellations are subject to the same requirements for standing. *Young v. AGB Corp.*, 47 USPQ2d 1752, 1755 (Fed. Cir. 1998). The test for adequately pleading standing is articulated in *Ritchie v. Simpson* 50 USPQ2d 1023, 1025 (Fed. Cir. 1999) found to be precedent in the prior Order of December 9, 2015:

> However, in addition to meeting the broad requirements of § 13, an opposer must meet two judicially-created requirements in order to have standing – the opposer must have a "real interest" in the proceedings and must have a "reasonable" basis for his belief of damage.

The "real interest" requirement is stated at *Ritchie v. Simpson* 50 USPQ2d 1025-26:

> Pursuant to the "real interest" requirement, to have standing an opposer to a registration is required to have a legitimate personal interest in the opposition. *See Lipton,* 670 F.2d at 1029, 213 USPQ at 189. In other words, the opposer must have a direct and personal stake in the outcome of the opposition.

The "reasonable" basis in damage relevant to the present matter is articulated in the Order of December 9, 2015 in this Cancellation at p. 8:

> ,,,these assertions [in the First Amended Petition] fall short of alleging that SL has a business need to use the applied-for and registered terms to describe its goods, that its goods are the same or related to those offered by KTC or are within its normal zone of expansion, or simply that SL is a competitor of KTC.

The foregoing is to be supported by factual matter plausible on its face. Ashcroft v. Iqbal, 556 U.S. 662, 678 (2009).

Real Interest

Spansion lacks any real interest in this cancellation proceeding. As detailed here, there is no claim of likelihood of confusion in this matter or in any of the consolidated matters between Kingston and Spansion. Spansion does not unequivocally allege that it is a competitor of Kingston or that the computer mouse pad of this registration is in the zone of expansion of Spansion; and there are no common lines of commerce between the goods of Spansion and the HYPERX SKYN computer mouse pads. Spansion further does not allege or assert factual support that the registered mark at issue, HYPERX SKYN, is merely descriptive, or generic. Spansion has not alleged or supported that it stands out as having a direct and personal stake in the outcome of this Cancellation.

1. <u>No Allegation of Likelihood of Confusion</u>

First, to clarify the record, there is no allegation of likelihood of confusion in the several matters to be consolidated between the marks at issue. The Order of December 30, 2014 recognized that the Amended Notice of Opposition in Opposition

No. 91218100 superseded the original Notice of Opposition. The superseding Notice of Opposition has no count based on likelihood of confusion of HYPERRAM with HYPERX. The several claims in the several matters to be consolidated between the marks of Kingston and Spansion all derive from descriptiveness and genericness.

2. Indefinite Allegation of Competition

There is no definitive allegation in the Second Amended Petition that Spansion has real interest as a competitor of Kingston. Pleadings employ and are held to exacting standards. In the Second Amended Petition ¶ 21, Spansion states that it "and/or" its customers are competitors of Kingston:

> 21. Spansion *and/or* its customers are competitors of Kingston with respect to the sale of computer and electronics products generally. Spansion's products are incorporated by its customers into a variety of consumer electronics products that compete with and/or are directly related to Kingston's products at issue as set forth in Paragraphs 2-4 herein. Spansion and/or its customers sell computer and electronics products that are related to the Kingston products at issue in this proceeding. [emphasis added]

Clearly this paragraph provides one possibility that Spansion is not a competitor of Kingston. Certainly there is no such claim as to the goods of HYPERX SKYN. Also in the Second Amended Petition ¶ 21, Spansion states that Kingston products, the computer mouse pads, are in the natural expansion of one or the other or both of Spansion or its customers:

> In the alternative, the Kingston products at issue in this proceeding are within the natural expansion of the business of Spansion *and/or* its customers. [emphasis added]

Again, this same paragraph provides one possibility that the Kingston computer mouse pads are not part of any natural expansion of Spansion business.

3. Different Lines of Commerce

In the Board Order of December 9, 2015 at page 8, the recited business and product categories of Spansion were rejected as falling short of supporting a business need:

> Further, while SL [Spansion] alleges that it is "one of the leading manufacturers of computer memory products and embedded systems solutions, including a broad portfolio of flash memory, microcontrollers, mixed-signal and analog products, and system-on-chip solutions," and that "[s]uch products have a wide variety of applications, including in connection with consumer electronics, industrial and automotive applications," these assertions fall short of alleging that SL has a business need to use the applied-for and registered terms to describe its goods, that its goods are the same or related to those offered by KTC [Kingston] or are within its normal zone of expansion, or simply that SL is a competitor of KTC.

In the responsive Second Amended Petition ¶¶ 2-5, Spansion reiterates the recited business and product categories without change but expands on its prior unsuccessful claim that the listed products "have a wide variety of applications". The Spansion products are not alleged to be competitive with or in the same line of commerce as the computer mouse pads of the HYPERX SKYN registration. In the Second Amended Petition ¶ 2, the Spansion products are "incorporated by its customers into...." In the Second Amended Petition ¶ 3, the Spansion products are ""used in end products...." In the Second Amended Petition ¶ 4, the Spansion products are ""embedded systems that are integrated into...." In the Second Amended Petition ¶ 5, trademark licenses are for customer use where there are "embedded systems" incorporated in such products. The

prior unsuccessful claim that the listed products "have a wide variety of applications" is simply verified by the allegations of the Second Amended Petition ¶¶ 2-5. Spansion customers are product manufacturers and not, *inter alia*, gamers looking for a special computer mouse pad. There is no reasonable basis for Spansion to believe that its business interest will be damaged by the sale of computer mouse pads to computer mouse users under the registered trademark HYPERX SKYN.

4. No Allegation of HYPERX SKYN Being Merely Descriptive

Being in a position without real interest, Spansion is unable to and does not assert that the registered mark HYPERX SKYN, taken as a whole or parsed into components, is descriptive, laudatory or generic or that there is any likelihood of confusion with a prior existing trademark right of Spansion. Parsed, Spansion is silent on SKYN. Spansion claims that X is descriptive. Second Amended Petition ¶¶ 13, 14 and 28. Spansion does not *unconditionally* assert that the prefix "hyper" is descriptive, laudatory or generic. See Second Amended Petition ¶ 30. It is Kingston that takes the position that "hyper" is descriptive, laudatory or generic. Nevertheless, Spansion asserts that HYPERX is descriptive on the basis of its claim that X is descriptive and that Kingston has claimed "hyper" to be descriptive, lauditory or generic. See Second Amended Petition ¶ 29. Without a claim of prior rights and without a claim that the registered mark HYPERX SKYN is descriptive, lauditory or generic, Spansion does not have a legitimate personal interest, competitor or not. There is no real interest. *Ritchie v. Simpson* 50 USPQ2d 1025-26.

Spansion does *conditionally* accept the possibility of "hyper" being merely descriptive if this Board finds such to be true in Opposition No. 91218100. Second Amended Petition ¶ 30. There is no reasonable prospect of such a decision being applicable to HYPERX SKYNS for computer mouse pads if pleaded. *See In re Ampco Foods*, Inc., 227 USPQ 331 (TTAB 1985); *In re Venturi, Inc.*, 197 USPQ 714 (TTAB 1977). These cases are recognized in TMEP 1209.01(b):

> The great variation in facts from case to case prevents the formulation of specific rules for specific fact situations. Each case must be decided on its own merits.

This is not a case of alternative pleading. There is no reasonable alternative allegation. *Ritchie v. Simpson* 50 USPQ2d 1025. Even if the contingency is satisfied and relevance is found, HYPERX SKYN is neither claimed nor established by factual support in this Petition to be merely descriptive or a creator of confusing similarity with Spansion. Spansion lacks any real interest in this cancellation proceeding.

No Reasonable Basis for Belief of Damage

Spansion raises only two allegations of damage, Second Amended Petition ¶¶ 23, 24. The first asserts damage from inconsistent pleadings. The second asserts damage from the creation of a family of marks.

1. <u>Inconsistent Pleadings</u>

The first claim of damage appears to assert damage for pleading a position before this Board in Opposition No. 91218100 inconsistent with a position alleged to have been taken in the trademark application resulting in the registration of HYPERX SKYN. Second Amended Petition ¶ 23 states:

> Thus, Spansion and its customers are damaged by Kingston's attempt to register the HYPERX-based mark at issue in this proceeding while simultaneously taking inconsistent positions to assert descriptiveness of the "HYPER" element in Spansion's mark at issue in pending Opposition No. 91218100.

Kingston asserts that "hyper" is merely descriptive, laudatory and generic in pending Opposition No. 91218100. Kingston has never asserted that HYPERX is descriptive; and there is no factual allegation in the Second Amended Petition to support that it has. Indeed, HYPERX is already registered and incontestable in two registrations not at issue here, Nos. 2848874 and 2934956; and the "HYPERX-based" mark at issue here was issued prior to this proceeding. As the mark in this proceeding and the mark in the referenced oppositions are not the same and the goods are not the same, inconsistency cannot even be an issue. *See In re Ampco Foods*, Inc., 227 USPQ 331 (TTAB 1985); *In re Venturi, Inc.*, 197 USPQ 714 (TTAB 1977); TMEP 1209.01(b).

This allegation of damage asserting inconsistent pleadings in Second Amended Petition ¶ 23 does not present a business need to use the registered term HYPERX SKYN to describe the goods of Spansion or even its customers as found missing from the First Amended Petition in the Order of December 9, 2015. A reasonable basis for any belief that there is business damage to Spansion from pleadings in these matters cannot exist.

2. <u>Family of Marks</u>

Spansion again alleges damage related to an attempt by Kingston to develop a family of marks, Second Amended Petition ¶ 24. This resurrects a claim made in the First Amended Petition ¶ 16. The allegation of damage was, by omission, not accepted

in the Order of December 9, 2015. It continues to remain unreasonable as a basis for damage. Spansion asserts that such a "HYPERX-based" family will inhibit Spansion's use of "HYPER-based" terms. The terms are not the same and are without any issue or allegation of confusing similarity. Further, the mark at issue here is not alleged in the Second Amended Petition to be descriptive or otherwise unregisterable, family or no family. Asserting damage by the Registration at issue is most illogical.

In making this claim of damage, Spansion draws upon other HYPERX inclusive marks of Kingston outside of this cancellation action. In doing so, however, Spansion omits inclusion of Registration No. 2,848,874 owned by Kingston which is incontestable. This registration includes goods, "[m]emory modules for computers and gaming systems," far more related to Spansion's alleged products in the Second Amended Petition ¶ 1, "computer memory products and embedded systems solutions", than the alleged increase in family by HYPERX SKYN for computer mouse pads. The alleged increase in family is away from any activity of Spansion, is not asserted by Spansion to be descriptive and has incontestable rights at its base.

In drawing on marks beyond the present issue, to assert damage against "HYPER-based" marks, Spansion also neglects its admissions in the third affirmative defense to the Notice of Opposition No. 91218100 (now the parent in these consolidated matters) that Spansion stands among a general category of trademark users that are distinguished by a different suffix to the prefix "hyper". In the third affirmative defense to that Notice of Opposition, Spansion asserted unequivocally:

> The existence of numerous other registrations on the United States Trademark Office Principal Register in Class 9 beginning with the prefix of "hyper" and including a second element of a generic, descriptive, or disclaimed term, including marks for goods highly related to those of Opposer [Kingston] and/or Applicant [Spansion], reflects the Trademark Office's and Board's longstanding and accepted principle that composite marks incorporating such combination of elements commonly are found to be not descriptive and not generic.

By its admission, Spansion takes the position that it is found in an industry related group of which Spansion is a member of "numerous" others with the prefix "hyper" having an unrelated second element. Therefore, Spansion's alleged damage from an inability to use "HYPER-based" marks lacks any legitimate real interest distinguishing it from the "numerous" other registrants differing only by suffix. A belief that Spansion will be damaged by any such family is, indeed, unreasonable.

Conclusion

The Amended Petition for Cancellation of Spansion lacks standing. Spansion has not established a "real interest in the proceeding" as there is no definitive allegation of competition or overlapping lines of commerce. There is no claim that the mark in this proceeding is descriptive, laudatory or generic and of need to be available to others. There is no claim of likelihood of confusion in any of the matters between Kingston and Spansion.

Separately, the allegations of damage do not establish a reasonable belief that Spansion has been or is being damaged. Spansion advances two allegations of damage. Spansion asserts that it is damaged by inconsistent positions between the application for registration of HYPERX SKYN and another Opposition. Aside from the

asserted act not being actionable and without nexus to any business interest of Spansion, the terms "hyper" and HYPERX are different and are associated with different elements and different goods in context. Legally as well as factually, there is no relationship by which inconsistency can be present. Spansion also asserts it is damaged by Kinston attempting to create a family of marks. Spansion asserts that such a "HYPERX-based" family will inhibit Spansion's use of "HYPER-based" terms. The terms are not the same and are without any issue or allegation of confusing similarity here. Further, in alluding to other Kingston marks to allege the "family", Spansion has failed to mention the base HYPERX mark which stands as incontestable. Damage to Spansion is not to be reasonably believe from the two allegation of damage in the Second Amended Petition.

Without standing, the Second Amended Petition for Cancellation fails. Dismissal of the Amended Petition for Cancellation with prejudice is requested.

Respectfully submitted,
KINGSTON TECHNOLOGY CORPORATION

Date: January 6, 2016

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of this paper is being served upon all parties to this proceeding at the address recorded in the following manner on the date this filing is submitted, January 6, 2016.

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